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SUBJECT: KEY BRAZILIAN NEGOTIATOR SEEKS MODEST, SHORT-TERM, CLIMATE

CHANGE AGREEMENT AT COPENHAGEN SUMMIT IN DECEMBER

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- (U) THIS CABLE IS SENSITIVE BUT UNCLASSIFIED AND NOT FOR INTERNET DISTRIBUTION.
- 11. (SBU) SUMMARY. The Ministry of Exterior Relations (MRE) leads the Brazilian delegation to the ongoing climate change negotiations. The key MRE negotiator on the delegation is Luiz Figueiredo Machado, who is also a Vice-Chair of one of the working groups under the UN Framework Convention on Climate Change (UNFCCC). At a July 21 meeting with the Deputy Chief of Mission, Figueiredo Machado outlined his view of a successful outcome for the UNFCCC's Copenhagen summit, which included developed countries taking on emission reductions targets, while developing countries would register their Nationally Appropriate Mitigation Actions (NAMAs). He voiced concern over Brazil and developing countries taking on binding commitments, primarily to avoid possibly impinging on economic growth. He recognized that this approach did not provide for a long-term solution, and he expected that UNFCCC would begin negotiating of another agreement in 2020. Figueiredo Machado repeatedly expressed concern about Brazil possibly upsetting other developing countries by getting out ahead of them in these negotiations. END SUMMARY.

ENTHUSIASM ABOUT WORKING WITH THE USG ON CLIMATE CHANGE

(SBU) At a July 21 lunch with the Deputy Chief of Mission (DCM), the Brazilian Ministry of Exterior Relations' (MRE) Director of the Environment Department and key climate change negotiator, Luiz Figueiredo Machado, expressed his enthusiasm for working with the USG in the ongoing negotiations under the United Nations Framework Convention on Climate Change (UNFCCC). He said he had positive interactions with U.S. Special Envoy for Climate Change Todd Stern, and he looked forward to continuing this productive dialogue. He also described the USG and Brazilian government as operating in a similar, transparent manner, even though they had their differences, their positions were clear. Further, both the USG and the Brazilian government in these negotiations recognized that different countries can take different paths to reach a common goal. In contrast, he commented the Europeans were difficult to work with, believing that the rest of the world should simply agree to pursue the chosen European path to climate change mitigation.

PROTECTING GROWTH BY FIGHTING FOR A SHARE OF CARBON SPACE

13. (SBU) Figueiredo Machado made clear that a guiding principle for the Brazilian negotiating team was preserving their room for maneuver and expansion in the economic sphere. He characterized the negotiations about greenhouse gas emissions as centering on access to "carbon space" (i.e., usage of carbon as an input for economy activity). Given that there is a limited amount of carbon space that can be emitted worldwide without risking continued, or increasing, climate change, the world is constrained. In that

context, Figueiredo Machado views the debate as a zero-sum game, with each country fighting for its share of the limited global carbon space available. Thus, he was as much concerned about the carbon space the United States and developed countries have used in the past as the carbon that China and India will be using in the future. He commented, "It is not in our interest that China uses our carbon space." Consequently, he indicated that the results coming out of Copenhagen need to ensure that Brazil and developing countries have sufficient access to carbon space to allow for their future economic growth. He stressed that in these negotiation all countries have the same economic self-interest, ensuring sufficient carbon space for their economy.

14. (SBU) Explaining why the Brazilian government did not want to convert its domestic climate change goals to reduce deforestation into binding international obligations, Figueiredo Machado said that the government wants to reserve the right to selectively develop the Amazon in the future, should the conditions warrant. The MRE does not want to constrain the government's options for developing the economy. He lamented the continued demands by foreigners that Brazil preserve the forest exactly as is. (NOTE: Brazilian President Luiz Inacio Lula da Silva has repeatedly lashed out at the perceived pressure from foreigners to just preserve the forests. Last year, Lula deflected these pressures exclaiming that "the Amazon has an owner." END NOTE.)

A MODEST, INCREMENTAL VISION OF SUCCESS AT COPENHAGEN

15. (SBU) Figueiredo Machado said that Brazil and the United States shared a "sense of urgency" about the problem of climate change. However, when he outlined his vision of successful result from the UNFCCC negotiations at the Copenhagen summit in December, he offered a modest, limited model. He said Brazil sought binding commitments to cut emissions from the members of the Kyoto Protocol and also the United States. For their part, Brazil and the developing countries would register their Nationally Appropriate Mitigation Actions

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- (NAMAs). This registry of NAMAs would be verifiable and the world could see the developing countries making their contribution to addressing climate change. Machado tended to favor a non-binding agreement coming out of Copenhagen, though he could accept a binding agreement. He explained out that if the agreement were a binding one, it would take years to enter into force as the members went through their respective ratification processes. He preferred creating a framework that would allow each country the freedom to identify and follow its own path toward reducing emissions that is appropriate to its own circumstances.
- 16. (SBU) The results from Copenhagen will be an incremental, interim measure, Figueiredo Machado stated. The parties should narrow their focus to looking at what can be accomplished between 2012 and 2020. At that time, a new set of negotiations and a new generation of negotiators can take over and build on what has been accomplished. He added that while it was fine for individual countries, like the United States, to chart a path with a longer-term focus, but that on a global scale there were too many unknowns for a long-term approach to work at this time. By way of example, Figueiredo Machado said that domestically, he couldn't even ensure that Brazil could control its own deforestation over the next 10 years. (NOTE. Over the MRE's objections, President Lula in December 2008 approved a domestic target for reducing the annual rate of deforestation by 70 percent from 2005 to 2017. END NOTE.)

CONCERNS ABOUT THE MAJOR ECONOMIES FORUM

17. (SBU) Figueiredo Machado participated as part of the Brazilian delegation in the Major Economies Forum (MEF). He commented that the MEF process had been good for sharing points of views, however, he objected to attempts to use the MEF as a separate negotiating process. He stressed that Brazil and the other developing countries in the MEF had no basis for negotiating on behalf of all the other developing countries. Brazil was concerned that any statement issued by the MEF could potentially drive a wedge between Brazil and the rest of the G-77. He was concerned that Brazil might be seen as agreeing to positions that the entire group did not support.

¶8. (SBU) Figueiredo Machado's assistant, Jose Solla Junior, attended the working lunch. Also, the Environment, Science & Technology, and Health (ESTH) Counselor and the ESTH Deputy Counselor participated in this event.

COMMENT

19. (SBU) The Brazilian negotiating stance remains, as Figueiredo Machado indicated, essentially a defensive one. Brazil would like to see a consensus agreement come out of Copenhagen, regardless how modest or short-term in scope such an agreement might be. At the same time, Brazil does not want to take on any binding commitments, even if based on Brazil's domestic climate change plan. Basically, for Brazil's negotiators the goal is to do something modest now and then pick up the issue anew in 2020. Interestingly, Brazil has not aggressively pressed for the United States or Europe to take on more ambitious measures in cutting emissions, possibly out of concern that this would open them up to reciprocal pressures to take on commitments. Underlying Brazil's position is the sense that there is little to be gained by Brazil being more ambitious, yet doing so would have a political cost in its relations with its other developing countries and might even impair its economic growth. END COMMENT.

SOBEL